



Employee Performance Evaluation (EPE): *The Good, The Bad, and The Ugly*



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Employee Performance Evaluation (EPE): *The Good, The Bad and The Ugly*

A performance evaluation will be assessed at some point during a person's career. All employees should be evaluated to determine pay increase, performance level, or develop career goals. Many employees become alarmed at the mention of performance evaluation for a wide array of reasons. Why is that so? Is it because many employees do not have extensive knowledge of evaluations or is it because of the gossip about evaluations among employees. The key solution to minimizing this sort of misunderstanding is education; therefore this research paper will explain employee performance evaluation including the definition, purpose, responsibilities of each person, steps of the process, the good, the bad and feasible recommendations.

What is EPE?

Employee Performance Evaluation (EPE) is a helpful technique to acknowledge the performance of a non-probationary or probationary employee. EPE is also a system that provides annual feedback to employees about job effectiveness and guidance. An evaluation is utilized to inform and guide an employee in the performance of his/her duties while being fair and balanced. An effective performance evaluation ensures employees are treated fairly and demonstrate management is unbiased.

What is EPE's purpose?

The purpose of the EPE within the Department of Public Works and Engineering (PWE) is to ensure timely and proper evaluation of PWE employees, to provide guidance for management and control of the EPE program (Policy 3-37, 1995). The EPE program is a supplement to the Mayor's Policy No. 115.00 which is a policy of the City of Houston (COH) to maintain a significant employee evaluation system. The Mayor's Policy No. 115.00 indicates the purpose of the employee performance evaluation process is to encourage on going objective communication between the employee and the supervisor focused directly on the relationship

between the organization's objectives, the employee's job duties and performance-both strengths and weaknesses (Handbook, 1997). The EPE program is implemented to increase productivity, morale, motivation and to reward employees. In addition, according to Perry's PowerPoint, there are three primary purposes of the City's performance evaluation system: to help employees focus their job performance to meet the goals and objectives of the department, division, and the COH; to develop the employee's knowledge and skills to continually improve and prepare to take on additional responsibilities in another position; to possibly obtain a merit increase based on City and department initiatives.

Employee's Responsibilities

According to the City of Houston Employee Performance Evaluation Guidelines, the employee has several responsibilities he/she is accountable for. The employee's responsibilities include the following:

- Request a statement of duties on a plan form
- Request feedback at least two times per year using the plan form as a basis for the feedback
- Be open and willing to accept feedback
- Be willing to implement suggested changes
- Be willing to discuss and accept duties, standards, and weights on the plan form

Supervisor's Responsibilities

The supervisor has numerous responsibilities he/she is liable for with the intention of being in compliance with Policy No. 115.00. The supervisor is responsible for creating a performance management system that permits the employee to excel while finding them the necessary resources to do so. The supervisor's responsibilities are listed below:

- Complete the appraisal process according to the instruction in the EPE manual
- Prepare the plan and performance evaluation forms

- Provide feedback at least two times per year using the plan form as a basis for the feedback
- Complete the reasons for rating/suggestions for improvement for each duty and performance factor
- Maintain complete documentation on employee performance
- Take appropriate steps to maintain effective levels of performance including coaching, counseling, training, etc.
- Keep current on EPE training
- Meet at least twice a year with reviewing authority to discuss EPE's

Reviewing Authority's Responsibilities

From lowest to highest rank, everyone has responsibilities in the EPE program including the reviewing authority to be in agreement with the EPE Guidelines. The reviewing authority has the responsibilities to:

- Ensure consistency of weights and ratings when and where appropriate
- Ensure that the evaluation is supported by documentation
- Ensure that the objectives or standards are clear
- Address and resolve any concerns about weights and/or ratings with the supervisor
- In cases of disagreements the reviewing authority should not change the rating or weight. The reviewing authority should verify that the supervisor's documentation supports the rating or weight. The reviewing authority and supervisor should reach an agreement before the employee receives the plan form or evaluation.
- Keep current on EPE training

Public Works & Engineering EPE Policy

The Department of PWE EPE policy applies to all employees within the department and supersedes any former departmental policy. The departmental EPE policy states when the following employee performance evaluations will be performed:

- During the fifth month of an employee's employment, on the eleventh month of employment, and annually thereafter on the employee's most recent hire date.
- When employee has been promoted (with a salary increase), a fifth month evaluation is due after the date of promotion; thereafter, the EPE due date changes to the one-year anniversary of the promotion.
- Interim EPE's are required when either the employee or supervisor transfers or is reassigned during the standard evaluation period.

The departmental policy includes some additional guidelines to ensure effective use of EPE. The additional general guidelines include:

1. Employees are to be rated against a predefined set of job duties
2. Employees should find the overall employee performance evaluation process to be "on-going."
3. Supervisor will set objectives/standards of performance for their employee.
4. The EPE Plan document will be maintained by the supervisor and the employee.
5. Supervisors will conduct evaluations as scheduled.
6. The actual EPE will be accomplished by the employee's immediate supervisor.
7. Employees shall sign the evaluation certifying that they had the opportunity to comment, discuss the evaluation, and that they understand they have the right to appeal the evaluation through the City's Grievance Procedure within 30 days from date of signature.
8. Completed evaluations will be forwarded to the EPE Coordinator for filing in the employees official personnel file.
9. Evaluations which are under appeal will not become a part of the employee's record until such time as the appeal process has been completed.

Steps in the EPE Process

The EPE process is comprised of several supervisory activities including acquiring necessary steps to complete the process. The EPE process consists of following four major steps:

Step One: Introducing Employees to the EPE Concept

First, the supervisors should conduct a meeting explaining the purpose, goals, forms, and methods used to monitor performance. In the meeting, the supervisor should clarify the following:

- That observation will be made of the employee's performance during an evaluation period and those observations will be recorded with written notes.
- The employee will meet with the supervisor regularly to review the employee's specific plan forms and discuss how well the employee is meeting his/her goals
- The meetings and discussions should simplify to the employee and supervisor where each stands on the issue of the employee's performance.

Step Two: Preparing The Plan Form

The plan form is a working agreement between the employee and supervisor, outlining the major duties, responsibilities and performance factors by which the employee's performance will be evaluated. Before meeting with the employee, the supervisor should review the employee's task list of duties and the job description. All employees must have a written plan form within 30 days of their hire or rehire date, or within 30 days after the beginning of the standard evaluation period and within 30 days after the date of a promotion.

Step Three: Procedures For The Work Progress Meeting

The working progress meetings are held at least twice a year to discuss employee's performance during the evaluation period. The working progress meetings are held after the employee's plan form is completed to alleviate lack of communication between the employee and supervisor.

Otherwise, if supervisors surprise an employee at the final appraisal session it will show that the supervisor is not doing his/her job. The employee and supervisor may agree to make changes to the plan form as long the changes are in writing and initialed by each party.

Important Points:

1. Meet at least twice a year for 20 to 40 minutes
2. Discuss concerns, behavior, and performance referring to the plan form
3. Encourage communication
4. Document each meeting
5. Meet with each employee at the same time intervals and for the same length of time
6. Meet at least twice a year with the manager (reviewing authority) to review your documentation

Step Four: Completing the EPE Process

When completing the EPE process, the supervisor shall utilize the Performance Impact: Employee Performance Management software. This software guides managers through the evaluation process including setting and measuring goals to providing assistance to write the evaluation. The Performance Impact Process include the following: setting expectations and goals, documenting and tracking progress, coaching and providing ongoing feedback, reviewing progress, and developing performance.

EPE: The Good

If employees, supervisors, and reviewing authority manage their responsibilities and complete the referenced steps, the EPE process will be a fair and balanced assessment. As a result of an equitable performance management system there are a number of benefits for an organization as a whole.

The performance evaluation is beneficial to the employees of an organization for many assorted reasons. Many employees become frantic at the mention of EPE; therefore, employees need to become aware of the benefits a performance management system provides. The performance management system offers the employees the opportunity to receive feedback about how they are doing in their job both good and bad. Employees can use this opportunity to discuss

their career ambitions and skills they would like to learn or improve (Bjornlund, 1997). The employee can in addition request help and support in achieving their goals and improving performance (Bjornlund, 1997). The performance management system also allows the employee to discuss ideas about how things in his/her area may be improved. For instance, the work flow, relationships, communication, procedures, and the work environment (Bjornlund, 1997).

The performance management system is a benefit to the supervisors of an organization as well. First and foremost the performance management system gives the supervisor a chance to sit and have some individual time with the employee. The supervisor not only can inform the employee of poor performance if there is any and reward excellence, but also update the employee on what's expected of them and how to change their behaviors to meet particular goals (Bjornlund, 1997). The performance evaluation process provides the supervisor and employee the ability to reveal concerns. At the least, the supervisor also has the opportunity to acknowledge the employee's hard work, thank the employee for a job well done, listen to concerns that may need to be addressed and encourage continued quality (Bjornlund, 1997).

With local governments, personnel cost account for more than half the expenditures; developing employees and accounting for productivity are essential responsibilities (Bjornlund, 1997). Performance evaluations are needed with local governments to ensure operation is at peak efficiency to encourage good performers to do better and help poor performers improve (Bjornlund, 1997). In cases where there is legal action, the evaluations can serve as a valuable documentation of the decision-making process (Bjornlund, 1997). For the organization, the employee performance evaluation is an opportunity to reinforce organizational values, identify concerns or problems and make fair, objective, and legal personnel decisions. The personnel decisions include salary increases, promotions, reassignments, or layoffs.

EPE: The Bad and The Ugly

In spite of the benefits of a performance management system, there are also barriers to effective employee performance evaluations. Surveys of businesses have found that fewer than 10 percent of companies believe that they have successful programs (Bjornlund, 1997). Even human resources and training personnel, who take the lead in developing and modeling appropriate performance appraisal techniques, have an overwhelming negative view of their experience in the appraisal cycle (Bjornlund, 1997). A recent study revealed that a lack of resources and expertise, union resistance, lack of upper-level support, managerial opposition, and the lack of support from employees are some of the barriers to effective evaluation (Bjornlund, 1997). These barriers hinder employees, supervisors, and an organization from reaping the benefits of the performance management system.

Lack of resources and expertise

Bjornlund states “Developing a performance management system based on an in-depth job and task analysis, providing ongoing training and support to supervisors, and evaluating and updating the system to accommodate changes in the organizational philosophy can be time-consuming and an expensive responsibility.” Specialized training and expertise that is required for the development and administration of a performance management system is not always available. It is essential that performance management systems are implemented with the proper technical and logistical support otherwise, the system will fail (Bjornlund, 1997).

Union Resistance

The unions have doubts about management having the ability to make unbiased performance ratings and personnel decisions (Bjornlund, 1997). According to Bjornlund, governments in which there is a strong union presence may need to move slowly in implementing a new

performance evaluation system as they work with union representatives to address union concerns.

Lack of upper-level support

The key to a successful performance management system is receiving support from the city manager, elected officials, and the human resources director. This group of top management has to lead by example. In other words, top management must reinforce the system's purpose and goals. Not only must they set the example, top management has to provide the time and resource needed to design and implement an effective performance management system (Bjornlund, 1997).

Managerial opposition

If the managers and supervisors do not support the performance management system then one can not expect anything better than failure. Many managers and supervisors are aware that evaluations are needed but deeply dislike them for numerous reasons. Bjournlund brought to light four reasons for managerial oppositions.

1. A normal dislike of criticizing a subordinate (and perhaps having to argue about it).
2. Lack of skill needed to handle the interviews.
3. Dislike of a new procedure with its accompanying changes in ways of operating.
4. Mistrust of the validity of the appraisal instrument.

Employee opposition

Employees who are being evaluated are likely to obtain a defensive position when poor performance is highlighted and must be cautious of their response. Employees most likely become disgruntled when the evaluation is linked to pay, recognition, or other awards.

Employees who find the performance management system ineffective can lead to frustration,

lack of concern, turnover, and even lawsuits due to real or perceived unfairness. (CPA Journal, 2008).

Recommendations

Although the EPE program is a good performance management system, the City of Houston can continuously research different solutions to ensure they are implementing the most superb performance management system. After conducting research, the 360 Degree Feedback is a feasible recommendation to take into account. The 360 Degree Feedback is a method in which employees receive confidential and anonymous feedback from his or her supervisor and four to eight people including managers, coworkers, and direct reports (Heathfield, 2007). The employees provide feedback on an online survey that includes questions that are measured on a rating scale and include questions that need written comments. The 360 Degree Feedback survey measures behaviors and competencies; addresses skills such as listening, planning, and goal-setting; and it also focuses on teamwork, character and leadership effectiveness (“What is 360”, 2008).

The 360 Degree Feedback is used in one of two ways. First, 360 Degree Feedback is used as a development tool to help employees recognize strengths and weaknesses when it’s implemented and introduced properly (“What is 360”, 2008). This allows feedback recipients to become more effective because they would have gained insight into how other view them which give them a chance to develop skills to excel at their jobs. Second, 360 Degree Feedback is used as a performance appraisal tool to evaluate employee’s performance (“What is 360”, 2008).

It is recommended that the City of Houston incorporate some of the 360 Degree Feedback’s features with EPE. EPE is an excellent performance management system; however, the 360 Degree Feedback will provide the employees additional feedback from coworkers who are in existence of their performance continuously. This feedback can be more of support that the

supervisor is alone. The constructive criticism gives the employee the opportunity to become effective by adjusting their behavior, minimizing weaknesses, and enhancing improved skills. Heathfield states the employee will have the opportunity to understand his or her strengths and weaknesses, and to contribute insights into aspects of his or her work needing for professional development. Another key feature of the 360 Degree Feedback is the reduction of discrimination risk. According to research from Heathfield, feedback from a number of individuals in various job functions reduces discrimination.

Continuous training is a valuable solution to continuous success with the EPE program, as managerial opposition is one of the many barriers to effective evaluation. Bjornlund's research indicates the best way to overcome the opposition of managers is to bring them into the process early on, to keep their commitment by reiterating the importance and the goals of the program and to provide ongoing support and training (Bjornlund, 1997). A number of supervisors lack skills such as planning, communication, coaching and observation or attitudes to implement the EPE program effectively therefore the necessary training is required. Communication is the number one skill to possess in the business world. It is significant that the supervisors are provided with the appropriate training otherwise many employees will be deprived of their fair and balanced annual assessment. It is also important that supervisors are evaluating employees on performance and not personality. The training can prevent supervisors from taking part of this unethical behavior and enable the supervisors to award employees for what they have worked for. PWE should consider a bi-annual training for the supervisors to confirm whether or not their supervisors possess the proper skills to evaluate employees. Too much training is better than not having enough training. PWE may also consider online training, which is a method of receiving or publishing training materials on the Internet, discussing the EPE program, planning,

communication, coaching, how to process the appropriate forms in a timely manner and so forth. The online training gives the supervisors the opportunity to receive the training at their own pace. The face-to-face training with Human Resources will require the supervisors to be available at a particular time. The online training can occur quarterly to give the supervisors frequent training. This assistance should be made available to supervisors immediately upon hire or rehire date and following promotions. The continuous training is the best solution because the supervisors will obtain the necessary resources year round to evaluate effectively.

In addition to continuous training for supervisors, employees should also receive some training to better understand their role with the EPE program. With a great number of the City employees not having much knowledge about the program, training will definitely be beneficial to many. The annual training for employees can highlight how to write effective comments, questions to ask, how to set goals, how to deal with negative feedback and performance ratings, and communication skills. The training may be the best way to overcome the employee opposition.

Conclusion

To accomplish the goals of the EPE program, each individual of this organization has to be accountable for their responsibilities. The employees has to be willing to accept and discuss duties and standards; and supervisors have to evaluate fairly with justifiable cause. Bjornlund could not have said it any better, "Too often, performance reviews contain only negative comments and not enough positive feedback". As a result of the Bjornlund statement, I highly recommend partnering with the 360 Degree Feedback and implementing continuous training. The 360 Degree Feedback will help employees recognize strengths and weaknesses from more than the supervisor; while the continuous training will provide ongoing support and the resources necessary to evaluate effectively.

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